

**FINANCIAL ADVISORY AGREEMENT  
BETWEEN THE  
LEON COUNTY HOUSING FINANCE AUTHORITY &  
THE HENDRICKSON COMPANY**

THIS IS AN AGREEMENT (the "Agreement") between the LEON COUNTY HOUSING FINANCE AUTHORITY, a local government body, corporate and politic, hereinafter referred to as the "HFA," and MARK HENDRICKSON, DBA "THE HENDRICKSON COMPANY", hereinafter referred to as the "ADVISOR":

W I T N E S S E T H

In consideration of the mutual terms and conditions, promises, covenants, and payments hereinafter set forth, the HFA and ADVISOR agree as follows:

**I. PREAMBLE**

It is understood by the parties hereto that the HFA requires professional financial advice from time to time on various matters involving its normal operations and further intends to undertake the issuance of notes and bonds to finance various affordable housing projects of the HFA. It is also understood that in connection with such professional advice and the issuance, sale, and delivery of such bonds, the HFA desires ADVISOR to perform professional services in the capacity as the HFA's Financial Advisor.

**II. SCOPE OF SERVICES**

The services to be provided by the ADVISOR shall include but not be limited to the following:

1. Attend any and all HFA meeting as requested by the HFA
2. Assist the HFA to develop and modify investment policy
3. Analyze investment opportunities for HFA consideration
4. Evaluate all multi-family applications
5. Coordinate credit underwriting reports with credit underwriters
6. Evaluate monthly servicing reports
7. Maintain detailed cost information for HFA projects upon HFA request
8. Evaluate proposals for professional services upon HFA request
9. Evaluate HFA Affordable Housing Study for HFA direction setting and follow-through
10. Any other valid request from the HFA provided in writing to the ADVISOR, including:
  - Prepare monthly written reports to the HFA on single family, multi-family, and other financial issues
  - Prepare agenda, minutes, and other materials for monthly HFA Board meeting
  - Prepare monthly financial statement, including coordination with staff of the Leon

County Board of County Commissioners (the "County") to obtain financial information

- Prepare proposed annual budget
- Develop tracking system for HFA subordinate DPA loans
- Coordinate work of professional team
- Work with Escambia County HFA and others to insure compliance and coordinated efforts for the First Time Homebuyer Program
- Work with County staff on disposition of properties assigned to the HFA
- Analyze and report on opportunities for the HFA including but not limited to:
  - ✓ Actions or proposals by the Florida Housing Finance Corporation
  - ✓ State Legislative program or budget changes and the current focus of the Sadowski Coalition
- Work with Finance Committee Chair to establish HFA checking account and SBA Prime Fund account by October 1, 2017
- Beginning October 1, 2017, perform entries into HFA accounting system and prepare checks for Board approval and signatures
- Work with DEO to submit required annual Special District report
- Work with County on property maintenance issues
- Be primary contact for Escambia County HFA Single Family Program
- Be primary contact for multi-family servicing, monitoring, and occupancy reports
- Be primary contact with bond trustee
- Respond to information requests on multi-family and single family programs
- Prepare any required reports to Escambia County HFA
- Prepare meeting notices and record HFA meetings
- Beginning October 1, 2017, handle reservation of meeting rooms and other meeting related logistics
- Manage contract with County for Emergency Repair Program
- Submit required information to County webmaster related to each meeting and other requirements of Special Districts Act
- Maintain insurance for HFA Board
- Submit signed minutes and HFA attendance records to County
- Work with HFA Board to implement public records retention policy
- Any other item related to transition to independent status of HFA as directed in writing by the Board v

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11. The ADVISOR has a strict fiduciary relationship with the HFA. The ADVISOR must advise the HFA as to any potential conflicts.

### III. PERSONNEL TO BE ASSIGNED

The following member(s) of the ADVISOR will be assigned primarily to work with HFA to provide the services as set forth hereinabove in the Scope of Services as Financial

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Advisor on the PROJECT: Mark Hendrickson will be the primary contact; Susan Leigh will also service the account.

A. The HFA has the right to approve, disapprove or change any of the staff assigned by the ADVISOR to the account. If, for any reason, the personnel assigned are changed or replaced, the HFA has the right to immediately terminate this Agreement.

B. The HFA has the right to request, for any reason, the ADVISOR to replace any personnel assigned. Should the HFA make such a request, the ADVISOR shall promptly suggest a substitute until a satisfactory substitute is selected.

C. The ADVISOR assures the HFA that during the term of this Agreement, the ADVISOR shall comply with Title VII of the 1964 Civil Rights Act, as amended, and the Florida Human Right Act of 1977 in that the ADVISOR shall not, on the grounds of race, color, national origin, religion, sex, age, handicap or marital status, discriminate in any form or manner against its employees or applicants for employment. The ADVISOR understands that this Agreement is conditioned upon the veracity of this statement of assurance. Furthermore, the ADVISOR assures the HFA it will comply with Title VI of the Civil Rights Act of 1964, as amended, in the event federal grant funds are involved. Compliance with other applicable federal and state laws, executive orders, and regulations prohibiting the type of discrimination delineated above is also required. This statement of assurance shall be interpreted to include Vietnam-era veterans and disabled veterans within its protective range of applicability.

#### **IV. OBLIGATIONS OF THE HFA**

##### **Submittal of Materials to ADVISOR**

A. The HFA and ADVISOR acknowledge and agree that the ADVISOR has been engaged to provide municipal advisory services to advise and assist the HFA with all bond financings that come before the HFA, as well as the analysis of other housing programs in which the HFA may, or does, participate. Such services to be provided are listed in detail in the HFA's Request for Proposal to Serve as Financial Advisor dated January 7, 2014.

B. As part of those services, the ADVISOR, acting in the capacity of Independent Registered Municipal Advisor ("IRMA"), reviews all third party recommendations made to the HFA and which are submitted to the ADVISOR in writing by the HFA.

C. The HFA shall, upon receipt of any materials presented by third parties to the HFA or individual members of the HFA, which are associated with, or related to, any of the ADVISOR's services provided as an IRMA, deliver such materials to the ADVISOR for handling as appropriate.

#### **V. COMPENSATION**

- A. The ADVISOR, as an independent contractor, is not deemed to be an employee or an official of the HFA and in performance of this Agreement is not acting as a business broker, realty broker, lawyer, or accountant, but only as Agent to the HFA.
- B. With regard to the issuance of bonds, fees will be paid out of cost of issuance. The fee is per \$25,000 per multi-family bond issue, paid by the developer at the time of application.
- C. The ADVISOR shall be paid a \$3,000 multi-family review fee, paid by the developer at the time of application.
- D. The ADVISOR shall be paid an annual retainer fee of \$40,000.00 commencing on October 1, 2016, which shall be payable on a monthly basis, in arrears, in the amount of \$3,333.33 commencing on November 1, 2016. On October 1, 2017, and additional fee of \$5,000 shall be paid for services related to the transition of the HFA to independent status. Beginning October 1, 2017, the Advisor shall be paid an annual retainer fee of \$43,000 which shall be payable on a monthly basis, in arrears, in the amount of \$3,583.33 commencing on November 1, 2017.
- E. The ADVISOR shall be reimbursed for expenses related to agreed administrative duties. Total non-travel expenses shall be limited to \$2,500 per year, unless an amount in excess of \$2,500 is specifically authorized by the HFA.
- F. The ADVISOR shall be given full reimbursement, after full detail and documentation, of all expenses incurred in the pursuit of its duties on behalf of the HFA. Such expenses shall include, but not be limited to, items such as travel (including both interstate and intrastate travel), meals, lodging, communications, duplicating, postage and federal express charges. All travel shall be pre-approved by the HFA. All travel expenses, including transportation, mileage, per diem for meals, and lodging, shall be billed in accordance with Chapter 112, Florida Statutes. In order to facilitate the HFA's efforts in controlling and monitoring expenses incurred in conjunction with the ADVISOR'S performance of its contractual duties, the ADVISOR shall report all expenses incurred during each calendar year, indicating both expenses for the year, and total expenses accumulated and not reimbursed to date. The report for each calendar year thereafter will be due within thirty (30) days of the end of each year.

## **VI. GENERAL PROVISIONS**

- A. The ADVISOR agrees to keep such records and accounts as may be necessary in order to record complete and correct entries for which the ADVISOR expects to be reimbursed. Such books and records shall be available at all reasonable times for such examination and audit by the HFA. All HFA records are deemed public records pursuant to Chapter 119, Florida Statutes.

B. All work performed by the ADVISOR, pursuant to the Agreement, shall be by the direction of the HFA and all communications pertaining to the progress of any work performed hereunder shall be addressed to the HFA. The HFA may, from time to time, designate one or more of their members, or staff, to perform all or part of the functions required hereunder and shall advise the ADVISOR thereof in writing.

C. The ADVISOR warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the ADVISOR, to solicit or secure this Agreement and that they have not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the ADVISOR, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. For the breach or violation of this provision, the HFA shall have the right to terminate the Agreement without liability at its discretion, and to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.

D. This Agreement, or any interest herein, shall not be assigned, transferred or otherwise encumbered, under any circumstances by the ADVISOR, without prior written consent of the HFA.

E. The ADVISOR has not had, does not have, nor will not entertain any implied, verbal or written understanding or contract with any other investment banking firm in regard to the negotiation for, or participation in any financing plan. The ADVISOR agrees not to be a member of an investment banking group proposing to provide any financing. The foregoing shall not restrict, however, the ADVISOR from its customary business associations, from time to time, with any members of investment banking groups.

F. The ADVISOR agrees to comply with public records access requirements set forth in section 119.0701(2), Florida Statutes, including the obligation to:

1. Keep and maintain public records required by the HFA and the County to perform the Financial Advisor Scope of Services required under this Agreement.
2. Upon request from either the HFA's or the County's custodian of public records, provide the HFA or the County with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Term of this Agreement and following termination of the Agreement if the ADVISOR does not transfer the records to the HFA or the County.

4. Upon termination of the Agreement, transfer, at no cost, to the HFA or the County, as requested, all public records in possession of the ADVISOR or keep and maintain public records required by the HFA or the County to perform the Scope of Services required hereunder. If the ADVISOR transfers all public records to the HFA or the County, as requested, upon termination of the Agreement, the ADVISOR shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the ADVISOR keeps and maintains public records upon termination of the Agreement, the ADVISOR shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the HFA or the County, upon request from either the HFA's or the County's custodian of public records, in a format that is compatible with the information technology systems of the HFA or the County.

5. IF THE ADVISOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE ADVISOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE COUNTY'S CUSTODIAN OF PUBLIC RECORDS AT (850) 606-1900, KEMPL@LEONCOUNTYFL.GOV, OFFICE OF HUMAN SERVICES & COMMUNITY PARTNERSHIPS, 918 RAILROAD AVENUE, TALLAHASSEE, FL 32310.

## **VII. INCORPORATION OF ALL PRIOR AGREEMENTS**

A. This document incorporates and includes the ADVISOR's Response, dated January 7, 2014, to the HFA's Request for Proposals to Serve as Financial Advisor, to the extent such documents are not inconsistent with this Agreement.

B. It is further agreed that no modification, amendment or alteration in the terms or conditions contained herein shall be effective unless contained in a written document.

## **VIII. EFFECTIVE DATES, TERM, AND TERMINATION**

This Agreement shall be for a term of three years (the "Term") commencing on October 1, 2016 and expiring on September 30, 2019 unless terminated in writing by the HFA. Compensation for the Term shall be in the amount specified in Section V. of this Agreement. This Agreement may be terminated without cause by either party upon written notice to the other party. In the event the ADVISOR receives such termination notice from the HFA, the ADVISOR shall be reimbursed for out-of-pocket expenses incurred and shall be entitled to fees for services performed to the date of termination, including services related to any bond transaction in progress as of the date of termination. The parties may, by written amendment, extend the Term upon mutual agreement. The compensation to be paid to the ADVISOR during any such extension period beyond September 30, 2019 shall be at an annual rate of \$2,500 per year above any previous year.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the respective date under each signature: The HFA, signing by and through its Chairman, authorized to execute same by Board action on the 16th day of June, 2016, and the ADVISOR signed by and through Mark Hendrickson DBA "The Hendrickson Company".

ATTEST:

MARK HENDRICKSON DBA "THE HENDRICKSON COMPANY"

\_\_\_\_\_  
Witness

\_\_\_\_\_  
By: Mark Hendrickson

Date: \_\_\_\_\_

ATTEST:

LEON COUNTY HOUSING FINANCE AUTHORITY

\_\_\_\_\_  
Witness

\_\_\_\_\_  
By: Mike Rogers, Chairman

Date: \_\_\_\_\_